

ATTACHMENT 1
FEDEXFORUM PROPERTY INSURANCE
SPECIFICATIONS

Named Insured: County of Shelby, Tennessee, City of Memphis, Tennessee, HOOPS, LLP and New Memphis Arena Public Building Authority and any subsidiary, and City of Memphis, County of Shelby, Tennessee, HOOPS, LLP and New Memphis Arena's interest in any partnership or joint venture in which the County of Shelby, Tennessee, City of City of Memphis, Tennessee, HOOPS, LLP and New Memphis Arena Public Building Authority has management control or ownership as now constituted or hereafter is acquired, as their respective interest of each may appear.

Mailing address: c/o Louise Horton, CIC, Insurance Specialist
Shelby County Government
Department of Finance
160 N. Main St., #1150
Memphis, TN 38103

Policy Dates: Effective Date: August 1, 2010
Expiration Date: August 1, 2011

Insured Location: Any location:
A) Scheduled on this Policy – 191 Beale Street, Memphis, Shelby County, TN 38103-4020
B) Covered as a Miscellaneous Unnamed Location.
C) Covered under the terms and conditions of the Automatic Coverage or Errors and Omissions provisions.

Property Insured:

This policy insures the following property at an Insured Location or within 1,000 feet thereof, to the extent of the interest of the Insured in such property.

A) Real property, including new buildings and additions under construction at an Insured location, in which the Insured has an insurable interest.

B) Personal Property:

1) Owned by the Insured

2) consisting of the insured's interest as a tenant in improvements and betterments

3) Of Officers and employees of the Insured

4) Of others in the Insured's custody to the extent the insured is under obligation to keep insured for physical loss or damage insured by this policy and

5) Of others in the insured's custody to the extent of the Insured's legal liability for physical loss or damage to Personal Property.

This policy also covers the interest of contractors and subcontractors in insured property during construction at an Insured Location or within 1,000 thereof, to the extent of the Insured's legal liability for insured physical loss or damage to such property. Such interest of contractors and subcontractors is limited to the property for which they have been hired to perform work and such interest will not extend to any Time Element coverage provided under this policy.

Property Excluded

This policy excludes:

- A) Currency, money, precious metal in bullion form, notes or securities.
- B) Land, water or any other substance in or on land; except this exclusion does not apply to 1) land improvements consisting of landscape gardening, roadways and pavements, but not including any fill or land beneath such property. 2) water that is contained within any enclosed tank, piping system or any other processing equipment
- C) Animals, standing timber, growing crops
- D) Watercraft or aircraft, except when unfueled and manufactured by the insured
- E) vehicles of officers and employees of the Insured or vehicles otherwise insured for physical loss or damage
- F) Underground mines or mine shafts or any property within such mine or shaft
- G) Dams and bikes
- H) property in transit, except as otherwise provided by this policy
- I) property sold by the Insured under conditional sale, trust agreement, installment plan or other deferred payment plan after delivery to customers, except as provided by the Deferred Payments coverage of this policy
- J) Electronic data, programs and software, except when they are stock in process, finished goods manufactured by the Insured, raw materials, supplies or other merchandise not manufactured by the Insured or as otherwise provided by the Data, Programs or software coverage of this policy
- K) Real and Personal property owned by Memphis Light, Gas and Water Division, Memphis-Shelby County Airport Authority, Shelby County – Political Subdivision; City of Memphis and Shelby County or Memphis City Schools.

Cancellation/Non-Renewal

60 Days, except 10 Days for non-payment of premium

FEDEX FORUM
Property Insurance

Coverages and Limits

Coverage	Limit
All Risks of Physical Damage or Loss (includes Boiler and Machinery)	
Policy Limit of Liability in any one Occurrence/Replacement Cost Basis	\$241,068,000
Additional Coverages:	
Accounts Receivable	\$100,000,000
Automatic Coverage	90 Days, but not to exceed \$100,000,000
Brands and Labels	Policy Limit
Civil Authority	30 Days, 5 miles
Consequential Reduction in Value	Policy Limit
Control of Damaged Merchandise	Policy Limit
Data, Programs or Software and Computer Systems – Non Physical Damage	\$25,000,000 Combined
Debris Removal	Policy Limit
Decontamination Costs	Policy Limit
Deferred Payments	\$100,000,000
Delay in Start Up	Policy Limit
Demolition and Increased Cost of Construction	Policy Limit
Contingent Time Element Extended	\$25,000,000
Excluding Earth Movement in High Hazard Zones, the New Madrid Seismic Zone and the Pacific Northwest Seismic Zone for locations of a direct or indirect customer, supplier, contract manufacturer or contract service provider.	

Coverage	<u>Coverages and Limits</u>	Limit
Earth Movement Excludes High Hazard Zones, and the Pacific Northwest Seismic Zone		\$25,000,000
Errors and Omissions		\$100,000,000
Expediting Costs and Extra Expense		\$100,000,000 Combined
Extended Period of Liability		30 Days
Fine Arts		\$100,000,000
Flood		\$200,000,000
Gross Earnings		Policy Limit
Ingress/Egress Excluding Earth Movement in High Hazard Zones, the New Madrid Seismic Zone and the Pacific Northwest Seismic Zone		30 Days, but not to exceed \$10,000,000
Land and Water Contaminant or Pollutant Cleanup, Removal and Disposal*		\$50,000
Leasehold Interest		Policy Limit
Miscellaneous Personal Property		\$10,000,000 per location
Miscellaneous Unnamed Locations		\$10,000,000 per location
Off Premises Storage for Property under Construction		\$10,000,000
On Premises Services		Policy Limit

Coverages and Limits

Coverage	Limit
Operational Testing Excluding stock or material manufactured or processed by the Insured	Policy Limit
Professional Fees	\$25,000 plus 50% of the amount recoverable under this coverage in excess of \$25,000
Protection and Preservation of Property	Policy Limit
Related Reported Values	Policy Limit
Rental Insurance	Policy Limit
Research and Development	Policy Limit
Service Interruption Incoming services consisting of electricity, gas, fuel, steam, water, refrigeration, or from the lack of outgoing sewerage service by reason of any accidental occurrence to the facilities of the supplier of such service	\$25,000,000 Combined
Soft Costs	\$10,000,000
Tax Treatment of Profits	Policy Limit
Temporary Removal of Property	Policy Limit

Coverages and Limits

Coverage Terrorism:

Coverage applies at locations specifically described on the Schedule of Locations, at Miscellaneous Unnamed Locations and property covered under Miscellaneous Personal Property and Off Premises Storage for Property under Construction.

Excluding Dependent Time Element; Extended Period of Liability; Ingress/Egress; Protection and Preservation of Property; and Service Interruption.

These limits shall not include the Actual Cash Value portion of fire damage caused by Terrorism.

See optional quote for Certified Terrorism following the Premium section of this proposal.

Limit

\$1,000,000 Property Damage and Time Element Combined.

But not to exceed the following limits in the Aggregate During Any Policy Year for Locations outside the United States, its territories and possessions and the Commonwealth of Puerto Rico:

\$5,000,000 Property Damage and Time Element Combined but not to exceed USD1,000,000 per occurrence

But not to exceed the following limits in the Aggregate During Any Policy Year:

\$1,000,000 for Miscellaneous Unnamed Locations, Miscellaneous Personal Property, Off Premises Storage for Property under Construction and Temporary Removal of Property Combined for Property Damage and Time Element Combined

\$1,000,000 for Flood Property Damage and Time Element Combined when caused by or resulting from Terrorism

Time Element limit:
12 month period of liability, subject to the Terrorism limit shown above

Transportation

\$25,000,000

Valuable Papers and Records

\$100,000,000

Computer Systems – Non Physical Damage

48 Hours

Coverages and Limits

Coverage	Limit
Data, Programs or Software	48 Hours for malicious introduction of a machine code or instruction
Service Interruption	24 Hours

Deductibles

Policy Deductible except as follows:	\$25,000 Combined All Coverages
Computer Systems – Non Physical Damage	2 Day Equivalent Includes all Locations where Time Element loss ensues, subject to a minimum of \$25,000 Combined all Coverages
Data, Programs or Software as respects loss or damage caused by the malicious introduction of a machine code or instruction	2 Day Equivalent Includes all Locations where Time Element loss ensues, subject to a minimum of \$25,000 Combined all Coverages
Contingent Time Element Extended	\$25,000 per Occurrence. However when the loss results form Earthquake, Wind and/or Flood such loss shall be subject to its respective deductible(s).
Earthquake	3% of the value, per VALUATION clause of the LOSS ADJUSTMENT AND SETTLEMENT section, of the property insured (including foundations) at the Location where the physical damage occurred and 3% of the full 12 month Time Element values, subject to a minimum of \$250,000 per Location, combined all coverages.
Terrorism	The greater of the Policy Deductible, or if applicable the Location deductible, per Location.

Optional Terrorism

Coverage

Limit

Terrorism - Certified per the Terrorism Risk Insurance Act of 2002

Policy Limit

Applies in the United States, its territories and possessions and the Commonwealth of Puerto Rico

The limit shown is per occurrence.

The Policy deductible would apply.

Optional Terrorism

Coverage

Limit

For property located outside of the United States, its territories and possessions and the Commonwealth of Puerto Rico:

USD5,000,000 in the Aggregate During Any Policy Year for Property Damage and Time Element Combined but not to exceed USD1,000,000 per occurrence

But not to exceed the following limits in the Aggregate During Any Policy Year:

USD1,000,000 for Miscellaneous Unnamed Locations, Miscellaneous Personal Property, Off Premises Storage for Property under Construction and Temporary Removal of Property Combined for Property Damage and Time Element Combined

USD1,000,000 for Flood Property Damage and Time Element combined when caused by or resulting from Terrorism

Time Element limit:
12 month period of liability, subject to the Terrorism limit shown above

References

Day Equivalent:

An amount equivalent to the number of days stated times the 100% daily Time Element value that would have been earned following the occurrence at the Location where the physical damage occurred and all other Locations where the Time Element loss ensues.

High Hazard Zones for Earth Movement:

California, Hawaii, Alaska and the Commonwealth of Puerto Rico

New Madrid Seismic Zone

Arkansas: Counties of Arkansas, Ashley, Chicot, Clay, Craighead, Crittenden, Cross, Desha, Drew, Fulton, Grant, Greene, Independence, Izard, Jackson, Jefferson, Lawrence, Lee, Lincoln, Lonoke, Mississippi, Monroe, Phillips, Poinsett, Prairie, Pulaski, Randolph, Saline, Sharp, St. Francis, White, Woodruff

Illinois: Counties of Alexander, Bond, Calhoun, Christian, Clark, Clay, Clinton, Coles, Crawford, Cumberland, Edwards, Effingham, Fayette, Franklin, Gallatin, Greene, Hamilton, Hardin, Jackson, Jasper, Jefferson, Jersey, Johnson, Lawrence, Macoupin, Madison, Marion, Massac, Monroe, Montgomery, Morgan, Perry, Pike, Pope, Pulaski, Randolph, Richland, Saline, Sangamon, Scott, Shelby, St. Clair, Union, Wabash, Washington, Wayne, White, Williamson

Indiana: Counties of Crawford, Daviess, Dubois, Gibson, Greene, Knox, Lawrence, Martin, Orange, Perry, Pike, Posey, Spencer, Sullivan, Vanderburgh, Warrick

Kentucky: Counties of Ballard, Breckinridge, Butler, Caldwell, Calloway, Carlisle, Christian, Crittenden, Daviess, Fulton, Graves, Hancock, Henderson, Hickman, Hopkins, Livingston, Logan, Lyon, Marshall, McCracken, McLean, Muhlenberg, Ohio, Simpson, Todd, Trigg, Union, Warren, Webster

Mississippi: Counties of Alcorn, Benton, Bolivar, Calhoun, Carroll, Chickasaw, Choctaw, Clay, Coahoma, De Soto, Grenada, Holmes, Humphreys, Issaquena, Itawamba, Lafayette, Lee, Leflore, Lowndes, Marshall, Monroe, Montgomery, Oktibbeha, Panola, Pontotoc, Prentiss, Quitman, Sharkey, Sunflower, Tallahatchie, Tate, Tippah, Tishomingo, Tunica, Union, Warren, Washington, Webster, Yalobusha, Yazoo

Missouri: Counties of Audrain, Bollinger, Butler, Callaway, Cape Girardeau, Carter, Cole, Crawford, Dent, Dunklin, Franklin, Gasconade, Howell, Iron, Jefferson, Lincoln, Madison, Maries, Marion, Miller, Mississippi, Montgomery, New Madrid, Oregon, Osage, Pemiscot, Perry, Phelps, Pike, Pulaski, Ralls, Reynolds, Ripley, Scott, Shannon, St. Charles, St. Francois, St. Louis, St. Louis City, Ste. Genevieve, Stoddard, Texas, Warren, Washington, Wayne

Tennessee: Counties of Benton, Carroll, Cheatham, Chester, Crockett, Decatur, Dickson, Dyer, Fayette, Gibson, Hardeman, Hardin, Haywood, Henderson, Henry, Hickman, Houston, Humphreys, Lake, Lauderdale, Lawrence, Lewis, Madison, McNairy, Montgomery, Obion, Perry, Robertson, Shelby, Stewart, Tipton, Wayne, Weakley